GlaxoSmithKline

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March 8, 2004

Dr. Mark B. McClellan
Commissioner
Food and Drug Administration
14-71 Parklawn Building
5600 Fishers Lane
Rockville, MD 20857

Re: FDA Rulemaking on Albuterol Non-Essentiality

Dear Commissioner McClellan:

Attached is a copy of a letter submitted today by GlaxoSmithKline to FDA's docket no. 03P-0029 concerning the Citizen Petition on albuterol non-essentiality. The letter discusses GSK's current and projected production capacity for manufacturing chlorofluorocarbon-free metered-dose inhalers.

Sincerely,

C. Elaine Jones

C. Elaine Jones, Ph.D.
Vice President US Regulatory Affairs

cc: Jeffrey R. Holmstead
Assistant Administrator for Air and Radiation
Environmental Protection Agency

John F. Turner
Assistant Secretary for Oceans and
International Environmental and Scientific Affairs
Department of State

James L. Connaughton
Chairman
Council on Environmental Quality

William R. Steiger
Director, Office of International Affairs
Department of Health and Human Services

John D. Graham
Administrator, Office of Information and Regulatory Affairs
Office of Management and Budget

March 5, 2004

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Dockets Management Branch
Food and Drug Administration
Department of Health and Human Services
HFA-305
5630 Fishers Lane, Room 1061
Rockville, MD 20852

Re: Docket No. 03P-0029; Citizen Petition: Requesting FDA to Initiate Rulemaking on CFC Albuterol MDIs

Dear Sir or Madam:

The purpose of this letter is to update the information on the record concerning GlaxoSmithKline's (GSK's) existing and potential production capacity for supplying Ventolin HFA metered-dose inhalers (MDIs) to the U.S. market. In our July 2, 2003 submission to the above-cited FDA docket, GSK stated that:

> Notwithstanding the significant commitment of energy and resources entailed, GSK is confident that additional internal and external capacity can be installed to ensure adequate supplies and production capacity for Ventolin HFA. An expansion of the Ventolin HFA supply and production capacity, to a combined level consistent with the mid-range of our developed scenarios, could be completed within 12 – 18 months.

In the same submission, GSK also stated that in view of the significant financial commitment required to expand its production capacity, it would not commit resources to do so until it had reviewed any comments submitted on a proposed rule on albuterol non-essentiality.

However, in the period since that submission, GSK has re-assessed its current Ventolin HFA production capacity in light of its overall production needs. In addition, GSK has re-evaluated its ability to commit to expanding production capacity in light of recent FDA statements concerning rulemaking on CFC albuterol non-essentiality. Finally, GSK has reviewed its global MDI manufacturing strategy in light of current forecasts of product approval times and projected market demand.

Current Production Capacity

GSK manufactures Ventolin HFA and other GSK inhaled products for the U.S. market at its manufacturing facility in Zebulon, North Carolina. The Zebulon plant has installed capacity to produce 20 million HFA MDIs. Currently, GSK is utilizing 2.5

percent of this capacity. To bring the Zebulon plant up to full utilization, approximately 6 - 12 months will be needed to acquire additional staff, increase quarantine space and stability storage, etc. In addition, GSK will need to successfully manage any regulatory compliance issues in cooperation with FDA. After reviewing the proposed rule on albuterol non-essentiality – in particular, if an effective date no later than December 31, 2005 is proposed – GSK will make a final decision to take these actions. When these actions are completed, GSK anticipates that it would be able to use 75 percent of this production capacity through 2006 for manufacturing Ventolin HFA MDIs, with possible variation thereafter depending on relative demand for GSK's HFA MDI products.

Expansion of Production Capacity

In consideration of the statement by the U.S. delegation at the 15th Meeting of the Parties to Montreal Protocol (November 10-14, 2003), and the subsequent public notice by FDA of its intention to initiate rulemaking on CFC albuterol non-essentiality, GSK has concluded that it has a sufficient indication of FDA's intention so as to allow the company to begin the preparatory work for an expansion of production capacity at its Zebulon plant. Specifically, GSK is now conducting the preparatory work for expanding production capacity at Zebulon to enable it to produce 40 million HFA MDIs annually for the U.S. market. From the date of a final GSK decision, approximately 18 months would be required to complete this expansion. Therefore, if FDA proposes a December 31, 2005 effective date for albuterol non-essentiality and the comment period closes by June 2004, GSK anticipates that it will have 40 million HFA MDI production capacity in time for that effective date for albuterol non-essentiality. Of this capacity, GSK anticipates that it could dedicate 75 - 90 percent for production of HFA Ventolin – with the exact level over time depending on relative demand for GSK's HFA MDI products.

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We hope this information will be useful to FDA as it completes its preparation of the proposed rule on albuterol non-essentiality. If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,

Mike Naylor
Vice President, Manufacturing Strategy
Global Manufacturing and Supply